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SUBJECT: Scenesetter for Austrian Agriculture/Environment Minister Berlakovich Meetings in Washington

REF: (a) Vienna 312, (b) Vienna 54 and previous

Sensitive but Unclassified - Protect Accordingly.

11. (SBU) SUMMARY: Austrian Agriculture/Environment Minister Nikolaus Berlakovich will be in Washington on May 13 and has requested policy meetings. Berlakovich supports Austrian farm policy priorities favoring small-scale, "organic" agriculture — and opposing biotechnology. Other priority issues for the Austrians are climate change, biofuels, and renewable energy. The trip, which will include stops in New York and California, is being coordinated by the Austrian Embassy in Washington. END SUMMARY.

Visit Background

- 12. (U) Austrian Federal Minister of Agriculture, Forestry, Environment and Water Management Nikolaus Berlakovich, is seeking meetings in Washington May 13 to discuss agriculture, climate change, and alternative energy issues. After his meetings in Washington, Berlakovich will proceed to New York (for an Austrian wine promotion event) and spend May 15-16 in California where the Ministry has requested meetings with Governor Schwarzenegger and Secretary for Environmental Protection Linda Adams (both meetings are TBC).
- 13. (SBU) Nikolaus Berlakovich has served as Austrian Federal Minister of Agriculture, Forestry, Environment and Water Management since December 2008. From 2005 to 2008, he held a similar position in the eastern state of Burgenland. (NOTE: full biography faxed to USDA/FAS/OCRA and emailed to EUR/CE).

Agricultural / Biofuels Issues

- 14. (SBU) During the visit, we expect Berlakovich to defend Austrian farm policy favoring small-scale and sustainable agriculture. Environmental interests and issues play an important role in the Austrian agricultural agenda and heavily influence positions on issues such as biotechnology. On the European level, Austria advocates common agricultural policies limiting subsidies for large farms,
- -- linked to environmental goals ("multifunctionality), and -- promoting lifestyle concepts such as organic, range fed, and alpine farming. Ministry officials say Berlakovich will be prepared to discuss agricultural biotechnology -- a point of contention with the USG -- to explain and defend Austria's anti-biotech stance within the EU (see below). Other potential topics include renewable energy and biofuels, the role of agriculture in climate change, and WTO/Doha.
- ¶5. (SBU) Austria remains a leading force within the EU opposing biotechnology in agriculture (details in ref A).

Biotech-free zones have been declared in all of Austria's nine provinces and the GoA continues to lobby the European Commission and other Member States in support of national biotech bans. Even without Austria's outright cultivation ban, other federal regulations effectively prevent the planting of EU-approved biotech crops. The GoA welcomed the European Commission's inability to effect change and hopes to make this a member state responsibility (whatever the consequences under the WTO). The broad spectrum of Austrian media and most consumers in Austria (when polled) support the long-standing GoA campaign against GM agriculture. Nonetheless, our recent biotech outreach activities have shown that there are farmers in Austria who seek to understand biotechnology and its potential benefits.

- 16. (SBU) The GoA actively promotes the production of agricultural crops for biofuels. Austrian NGOs voice concerns on environmental sustainability -- but the GoA remains a core supporter of liquid biofuels. Austria has extensive forest cover (47%) and a competitive forest-products industry, and significant biomass potential.
- ¶7. (SBU) In the WTO, Austria backs the EU's non-trade agenda on issues such as geographic indicators and animal welfare. Austrian agriculture officials have stated that the EU should improve its Doha round offer until the USG makes further concessions on domestic supports.

Climate / Energy Issues

18. (SBU) We expect Berlakovich to welcome the new USG

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direction on climate change and renewable energy. The GoA remains a committed supporter of climate action but its enthusiasm has waned and leadership has become more realistic as Austria falls far short of its Kyoto commitments (the GoA committed to an annual target of 69 mtCO2e target over the 2008-2012 Kyoto period, but emitted 91 mtCO2e in 2007 and has no chance to meet that target). Ref B describes the new climate realism, reflected in its lobbying within the EU against its mandatory renewables target and in favor of generous permit allocations to industry. Austria's economic growth has typically outperformed Germany by about 1% per year, so GoA leadership would prefer a flexible approach to mitigation rather than draconian cuts (but seldom enunciate that position publicly).

- 19. On renewables, Austria has a strong starting position with a 25.3% renewable energy share (2007) -- primarily hydroelectric at the moment, but with increasing emphasis on biomass/biogas, solar/wind, and liquid biofuels. Austria must be aggressive to meet its mandatory target of 34% renewable energy by 2020 (as part of the EU's 20/20/20 plan) -- a target the GoA fought in Brussels as late as December 2008 but which it has since endorsed.
- ¶10. (U) This cable was coordinated with FAS Berlin.

KILNER